Advertising Age

50 YEARS 1930-1980

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Wyman takes giant step to CBS

Thomas H. Wyman moves from foods to broadcasting.

By COLBY COATES

NEW YORK—Once approached about a potential seat on the board of directors of CBS Inc., Thomas H. Wyman has instead ended up as the company's fifth president in nine years, and the second exec besides chairman William S. Paley to hold the chief executive officer's title.

"The scope and dynamics of the businesses of CBS" attracted him to the historically trouble-plagued job, he said in a telephone interview, "categorically" declaring himself a believer in the new technologies of the modern communications world.

Mr. Wyman also sought to dispel any "mythical questions" about "who's for new technologies and who's not at CBS," adding, "cable, videodisc, broadcasting, teletext are the dynamics of our business."

As John Backe's successor at the helm of the company that had 1979 revenues of $3.7 billion and net income of $201,000,000, Mr. Wyman reportedly will earn $800,000 per year, a $1,000,000 sign-on bonus, plus an arrangement for compensation for an additional two years should he be fired.

• According to a statement from Mr. Paley, the selection of the Pillsbury Co. vice-chairman concludes "an intensive reevaluation of the qualifications of the ceo post at CBS." Mr. Wyman's extensive experience in U.S. and international marketing, financial, technological and policy-making administrative posts are "the management talents CBS desires at the helm as the company faces the future," Mr. Paley said.

Mr. Wyman's broad-based background includes stints as president-ceo of Green Giant Co. and a variety of posts at Polaroid Corp. culminating in senior vp, general manager and chairman of the executive committee. At one time or another, he was widely touted as the heir apparent to Polaroid founder Edwin Land and Pillsbury chairman William Spoor.

He admits to having his work cut out for him at CBS, figuring "I'll be working very hard for the next two years understanding all of CBS' businesses." However, he already knows that "a central part of the management job at CBS is in understanding what happens in Washington.

"The regulatory function there must be managed with thought," he said, adding, "I'm very much in favor of building bridges between regulators and business and treating each other in a non-adversarial way."

With his consumer products background, it could be expected that Mr. Wyman is "obviously a believer in the enormous power of advertising," but he thinks that it also "must be used constructively and managed with responsibility. That goes for the media as well,"

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Pepper also vies for Crush

P&G bids for soft drinks

By LARRY EDWARDS and JACQUES NEHER

CHICAGO—Procter & Gamble Co. made its expected jump into the soft drink business last week with a bid to acquire Crush International's U.S. and international (excluding Canada) businesses for $46,000,000.

But Dr Pepper Co. muddied the situation Friday morning with a bid for Crush that bettered P&G's price by $10,000,000. Canadian businessman James Pattison, who controls 65% of the Toronto-based company, was meeting with his board of directors in Vancouver later in the day—apparently on other business—and declined to discuss the situation.

The Cincinnati company responded to the news of Dr Pepper's offer by pointing out that it had a contractual agreement with Crush, already accepted "in good faith," and said it expected the transaction to "be closed promptly."

Dr Pepper—ironically with a new president, Charles Jarvie, recruited from P&G's food division—stated in making its bid for Crush that it offered the latter "single-minded" interest in the soft drink business.

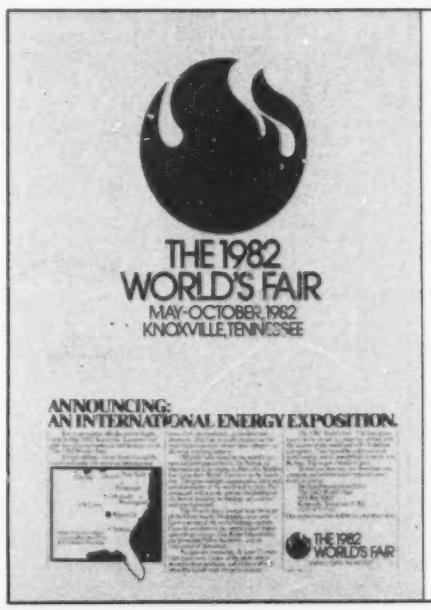
Observers Friday were betting that Crush would stick with the P&G deal. P&G's statement added, "We do not expect any third party to interfere with our contractual arrangements."

The buy would give P&G immediate entry in the $12 billion-plus market with Orange Crush, Hires root beer and Sun Drop lemon-lime soft drinks.

As if P&G's planned entry isn't enough to worry Coca-Cola, Pepsi-Cola and the other soft drink giants, General Foods is expected to bring out a carbonated soft drink this year. Its Country Time lemonade is already available to bottlers.

• P&G is bidding for the vehicle through which it might apply the technological work it has been doing on carbonated drinks for possibly the last 10 years. Although the more celebrated activity has been P&G's "carbonated cup" (AA, Jan. 24, '77), the more recent and probably more viable work has

(Continued on Page 62)



Fair city

A page ad in last Thursday's *Wall Street Journal* kicked off a two-year $7,000,000 ad campaign for the 1982 World's Fair in Knoxville, Tenn. McCann-Erickson, Atlanta, is the agency for the "International Energy Exposition." (*See story on Page 65.*)

Grand jury looks at Riedl collapse

By JOHN J. O'CONNOR

NEW YORK—A federal grand jury in Newark, N.J., is investigating whether criminal conduct was involved in the 1978 financial collapse of Riedl Associates, a New Jersey ad agency.

According to a source, the grand jury action has zeroed in on Everest Industries, an investment group about which little is known, and its former chairman, Frank Dell'Aglio.

Mr. Dell'Aglio and Everest surfaced in June, 1978, when it was announced that Riedl, a Clifton, N.J., agency, and Meltzer, Aron & Lemen, another Everest-controlled shop, were to become the nucleus of a nationwide network functioning under the direction of the then newly formed Adolph Toigo Group.

• From the outset, ATG, headed by Adolph Toigo, then 72, was hampered by disclosures concerning Everest and Mr. Dell'Aglio. The most damaging revelations included Mr. Dell'Aglio's one-year federal probation in a securities fraud case in 1976 and an Everest "investors list" that contained names of execs who subsequently

(Continued on Page 61)

last minute news

Five shops get assignments in race for Contac

PHILADELPHIA—SmithKline's Menley & James division has given creative assignments to five agencies in a competition for its $15,000,000 Contac cold remedy business. Agencies are James Jordan Inc.; Grey; Avrett, Free & Fischer, Ayer, and incumbent O&M.

Groves leaves Chilton for new Thomson unit

PHILADELPHIA—Richard H. Groves has resigned as Chilton Co. exec vp to become president of International Thomson Business Press Inc., a new U.S. subsidiary here of the London-based International Thomson Organization. At Chilton, Mr. Groves' duties go to vp-finance James Miades and vp-general manager of publications division Robert O. Sward, who become exec vps.

Dailey to aim for 'young at heart' Reagan image

LOS ANGELES—Reagan for President ad strategists, under new head Peter Dailey of Dailey & Associates, say they will aim for middle-of-the-road positioning of the candidate on most issues and a "young at heart" image to attract under age 40 voters. Mr. Dailey, who headed the Nixon presidential drives, will direct a Campaign '80 in-house Reagan agency now being organized. Ruth Jones Ltd., New York, will no longer be involved in Reagan's media handling, a campaign source said. C.T. Clyne Co. split with the Reagan campaign earlier.

Murphy: GM spending will be 'down somewhat'

DETROIT—General Motors' 1980 advertising will be "down somewhat" from last year reflecting slumping sales, chairman Thomas A. Murphy

(Continued on Page 8)

IAA hears warning on ad attacks

By CAROLYN PFAFF

DURBAN, SOUTH AFRICA Multinational bodies such as the United Nations and the World Health Organization are currently considering major new controls on advertising, which may have serious implications for the advertising industry, several speakers warned the 27th World Congress of the International Advertising Assn.

The MacBride Commission, whose members were appointed by UNESCO in 1977, has just released its report on communications and advertising, calling for ways and means to reduce the influence of market and commercial considerations in national and international communications.

IAA delegates also were informed about an action by the World Health Organization, which has drawn up an advertising and

(Continued on Page 65)

NEWSPAPER

3

AA MAR81
DC2001 4CCNGL IHAGNR 02115920013
R HAGERMAN SECY TO SR VP
CONGRESSIONAL INFO SERVICE
7101 WISCONSIN AVE
WASHINGTON DC 20014

President expected to sign

Congress sends FTC bill along

By STANLEY E. COHEN

WASHINGTON—Congressional leaders assured each other last week they have done a remarkable job of reconciling their differences over the future of the Federal Trade Commission, but they aren't getting thanks from the White House.

The three-year battle ended last Thursday as the Senate voted 74-15 to accept the negotiated compromise, which suspends FTC's power to regulate "unfair" ads with industrywide rules and establishes closer congressional supervision of FTC, including a two-house "veto." Less than 24 hours earlier, the House voted 272-127 for the compromise.

Sen. Wendell Ford (D., Ky.), the principal architect of the bill, insisted during the debate, "The legislation does not reduce any of the powers the commission has traditionally exercised."

But the White House remains sufficiently uneasy that President Carter is expected to forego the usual public signing, with its handshakes, photo opportunities and souvenir pens.

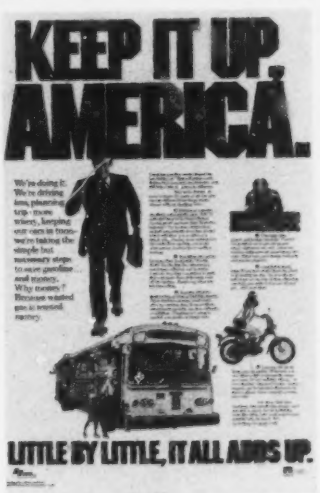
▪ "We are relieved that the bill is above the bottom line which the President drew," a White House source said. "But we are concerned about procedures reflected in this legislation where Congress demonstrates its willingness to shortcircuit the regulatory process." It is likely the President will elaborate his views in a published statement when he signs the bill.

Sen. Ford expressed confidence that the decision to suspend

(Continued on Page 61)

Swimming through history with Cole

Cole of California is taking an historical approach—showing women wearing Cole swimwear in 1928, 1965, 1977 and today—in new fashion magazine ad spreads. The swimwear campaign is the company's first from new agency Michelson/Matsumoto, Los Angeles.



U.S. Energy Department is breaking its summer conservation campaign via the Advertising Council and J. Walter Thompson Co.

Candidates running last lap on tv

By LEAH ROZEN

NEW YORK—Presidential candidates George Bush, Jimmy Carter and Edward Kennedy will use tv ads to span the country as they scramble for delegates in California, Ohio and New Jersey primaries, all scheduled for June 3.

Ronald Reagan, the former governor of California, also is a candidate in all three races, but he will be using little tv or radio time. Mr. Reagan has nearly reached the primary spending limit of $14,700,000 and apparently has collected enough delegates to put him over the top when the Republican National Convention begins July 14. The Democratic convention begins a month later, on Aug. 11.

Mr. Reagan's advertising hiatus will not be copied by his rival, former congressman and diplomat George Bush, nor by Democratic hopefuls Sen. Kennedy and President Carter. All three are busy selling themselves in 30 and 60-second bursts to primary state voters.

▪ The difference, however, between this final three-state primary contest and previous primaries is that the multiweek ad campaigns (a familiar feature from the New Hampshire, Illinois, Pennsylvania and New York primaries) have disappeared. California, Ohio and New Jersey voters who turn on their tv and radio sets will be exposed to only 10 days or so of political advertising.

"The local media keeps saying this primary is a big deal, but we haven't seen it yet and money is the only thing that talks," said Rick Lowe, general sales manager at WCMH-TV, Columbus, O. Mr. Lowe said his station had received a "small order" from the Carter campaign for some 30-second spots that wil' begin running this week. Mr. Lowe said he has yet to hear from the other candidates.

Conversations with the media advising staffs and time-buying agencies of the three candidates late last week revealed confusion as to just how much advertising was being planned. This was especially true of the Bush forces, a condition possibly due to Mr. Bush's reported consideration of withdrawing from the race now that Mr. Reagan is the apparent victor. If Mr. Bush stays in the race, it appears that he will concede Mr. Reagan's home state and concentrate on Ohio and New Jersey.

The Bush campaign, worried about money, has not made any new ads for the Big Three primary contest. It also canceled production on a planned 30-minute tv question and answer session with the candidate that would have cost about $50,000. Such sessions were first aired in the Pennsylvania primary; Mr. Bush ran 10 of them in his successful Michigan primary campaign.

▪ Jerry Greenberg, head of Allscope, the New York time-buying service that has been working with Bush forces throughout the primaries, said last week that he was still awaiting word from the campaign headquarters on whether to schedule spots.

President Carter began running spots in Ohio on May 14. He will conduct a relatively heavy campaign in the Buckeye state, according to a spokeswoman at the Rafshoon agency in Washington, which handles the campaign. Spending for Ohio is put at less than $500,000. The Carter campaign is runing the same spots for the June 3 primary that it ran in previous contests. These include

(Continued on Page 65)

highlights

Monday, May 26, 1980

Sears, Roebuck & Co., while suffering its first merchandising loss since the Great Depression, nevertheless will hold to previously budgeted ad spending of almost $500,000,000. *See Page 4.*

ABC Inc. has been spending big bucks on various programs and rights as an "investment in the future." *See Page 6.*

Four A's creative session bemoans the present and offers advice for the future, while William Bernbach of DDB urges more risk-taking. *See Page 10.*

The Dallas Morning News and *Dallas Times Herald* are in a slugfest that is being called the most intense newspaper fight in the country today. *See Page 12.*

Two media giants are looking seriously at the bus shelter business, but their involvement awaits a cooler industry climate. *See Page 14.*

Federal Trade Commission efforts to clear anticompetitive practices among retailers and manufacturers focused on three companies. *See Page 18.*

E.E. Dickinson Co. backs its 50-year-old witch hazel astringent with its first major ad push in 16 years. *See Page 22.*

A roundup of some of the largest U.S. marketers lists the advertising plans they announced at annual meetings. *See Page 30.*

Although the birth of generics in France was a stormy one, the no-brand products have since set anchor in almost too calm waters. *See Page 34.*

Dave Vadehra presents the 25 outstanding television commercials of 1979 that viewers picked in a poll conducted by Video Storyboard Tests, New York. *See Page 37.*

Warren R. Ross provides some basic "how to" hints for account execs. *See Page 46.*

Ogilvy & Mather's Canadian operation, which in the early '70s had a nearly stagnant growth rate, now is celebrating its recovery with a self-promotional print ad campaign. *See Page 47.*

Having received an okay from the Australian Broadcasting Tribunal on his purchase of a Melbourne tv station, Rupert Murdoch was told he faces a second hearing by that body, which apparently didn't administer justice the first time. *See Page 48.*

The Quebec referendum last week was enlivened by accusations of separatist forces that the federal government played dirty tricks with advertising. *See Page 51.*

The downturn facing the automobile market is pushing the Japanese into the car rental business in this country. *See Page 56.*

Long-awaited Heinz report tells how subsidiaries juggled income during the '70s. *See Page 58.*

Foote, Cone & Belding announces the acquisition of Deutsch, Shea & Evans at its annual meeting. *See Page 60.*

Geers Gross Ltd., London, acquires Martin Landey, Arlow Advertising, New York. *See Page 60.*

NBC may be looking to dump Tom Snyder as it revamps "Prime Time" and "Tomorrow." *See Page 63.*

Doyle Dane Bernbach expects another year of growth for the agency in 1980. *See Page 64.*

Advertisers spent $1.8 billion in preprinted newspaper inserts in 1979. *See Page 64.*

The Audit Bureau of Circulations has started a new service to help deal with the annual $200,000,000 coupon misredemption problem. *See Page 66.*

Macro Communications buys *Saturday Review* and saves it from the edge. *See Page 67.*

Section 2

Minneapolis and St. Paul, far from being provincial stick-in-the-muds, are thriving cities both culturally and corporately. For a look at advertising, culture, recreation sports and more in the Twin Cities, see Section 2/Minneapolis-St. Paul, starting opposite Page 34.

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Hoge new publisher of 'Sun-Times'

By JACQUES NEHER

CHICAGO—James Hoge, editor-in-chief of the *Chicago Sun-Times*, apparently managed to pass his courses at Harvard Business School.

Mr. Hoge, 44, last week was elected publisher of the *Sun-Times*, a move expected earlier this year when parent Field Enterprises sent him to Harvard for an intensive three-month management curriculum (AA, Jan. 28). The change is effective June 10.

Mr. Hoge, a 21-year veteran with the paper on the editorial side, replaces Marshall Field V, who is giving up the post he has held for the last 10 years. As the newspaper's fourth publisher, Mr. Hoge is the first who is not a member of the Field family.

▪ Mr. Field said he had "mixed feelings" about breaking with family tradition, but added he had "no reservations" about handing the reigns over to his top editor, under whom the *Sun-Times* garnered five Pulitzer Prizes.

(Continued on Page 65)

FCB recruits Deutsch shop

By BERNICE KANNER

NEW YORK—Foote, Cone & Belding Communications has recruited a new family member—Deutsch, Shea & Evans, a recruitment ad agency.

In a session following its annual meeting here last week, Arthur W. Schultz, the 58-year-old chairman of the ninth largest agency worldwide, noted that the deal was for cash, but he would not reveal the price. Earlier, DS&E execs had confirmed the shop was holding talks but said that "nothing had culminated" (AA, May 19).

The 41-year-old recruitment shop headquartered here billed about $22,000,000 last year. It will continue under its own name and management, with Arnold Deutsch as chairman and Van Evans as president, and will include FCB's existing recruitment operations in Los Angeles, Salt Lake City and San Francisco. The $918,000,000 Chicago-based agency set up its domestic recruitment group in 1978; it now bills around $8,000,000.

▪ The move is in keeping with big agencies scouring the recruitment specialty field. Doyle Dane Bernbach last year purchased half of Bernard Hodes Advertising, and J. Walter Thompson Co. bought World Wide Agency. Then, FCB expressed interest in the field, but figured the way to go about it was to build its own in-house operation rather than buy outside.

At that time, sources claimed that FCB had tried to snag World Wide for itself and, failing in that, had turned its attention to the Santa Monica, Cal.-based North American Creative Recruitment Advertising (AA, Dec. 24).

To complicate matters further, Ogilvy & Mather then disclosed that it had talked acquisition with DS&E. Now, O&M chairman William Phillips said that his agency is talking to several recruitment specialty shops, with other sources suggesting that an arrangement with North American is imminent.

"We've been interested in the recruitment advertising business for a couple of years," FCB's Mr. Schultz said in an interview. "We've been in this business in Europe successfully and we've tried it on our own on the West Coast to get a feel for it. We surveyed the field and talked to a number of agencies and determined that Deutsch, Shea & Evans is the only one we wanted to be in with," he said, calling the newest FCB family member "the Rolls-Royce of its field."

During the annual meeting, Mr. Schultz pointed with pride to FCB's earnings growth in 1979 and in the first quarter of 1980. The agency's earnings of $9,741,000 last year represented a 25.4% growth over year-earlier periods to pace the agency field. The Interpublic Group of Cos. followed with a 19.6% increase.

FCB set new profit and revenue records for the 1980 first quarter with net income of $1,610,000, a 58% jump over 1979.

Shareholders also elected 17 directors, including five newcomers. They are: Abbott C. Jones, 45, an exec vp at the agency; Norman Brown, 49, exec vp-general manager, FCB/Chicago; Thomas F. Randolph, 49, president, FCB/Honig; Newton N. Minow, 54, partner of Sidley & Austin, attorneys, and Robert D. Campbell, 62, retired chairman of Newsweek Inc., and now a management consultant.

In a session afterward, FCB president John O'Toole downplayed the possibility that Pizza Hut would reopen an agency review in the wake of recent key personnel shifts. Last month the agency retained the $14,000,000 account after a controversial agency review (AA, April 14).

"I doubt they'll hold another agency review," Mr. O'Toole said, noting that a new campaign currently was being readied. He acknowledged that as a result of the close call, some new personnel had been put on the fast-food account, but added, "People were not the problem on the Pizza Hut business. We creative people have to take the blame. We didn't do some commercials as well as we should have."

While foregoing the chance to make a year-end projection, Mr. Schultz noted that business was holding up in the face of a recession and that there were "no surprises yet—nothing significant yet."

He added that he was "very bullish about the future of advertising." He feels it will become more important "because the need to communicate is growing." #

WILL JORDAN
AS
GENERAL PATTON

"SIDE SPLITTING"
"STANDING OVATION"
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CHEMICAL CO.
Sales Meeting
Marriott, St. Louis. Mo.
For info Contact: Will Jordan
Suite 10F, 435 W. 57th St. N.Y., N.Y. 10019
(212) 265-1652

Sunbeam to introduce food appliance this fall

Sunbeam Appliance Co., Oak Brook, Ill., is introducing a Food Preparation Center, complete with mixer, food processor and blender. The unit, with suggested retail of $279.95, will be shown at the July Housewares show, and a $1,000,000 ad campaign via Foote, Cone & Belding, Chicago, is scheduled to break this fall.

Landey shop acquired by Geers Gross

NEW YORK—London-based Geers Gross Ltd. has acquired Martin Landey, Arlow Advertising.

It is the second U.S. shop in what appears to be shaping up as a network here for the publicly traded U.K. agency. The first was Richard K. Manoff Inc., purchased in January, 1978. A year later the 26-year-old shop, billing over $40,000,000, was renamed Manoff Geers Gross.

Like Manoff, Martin Landey, Arlow Advertising will operate autonomously, as an independent unit, with the prospect that certain resources of the Geers Gross network may be combined at a later date.

▪ The 14-year-old Martin Landey agency last year billed $33,000,000, of which $2,000,000 was foreign. The agency will be renamed Landey Arlow Geers Gross and will continue with Martin Landey as president and chief executive officer. Arnold Arlow remains exec vp-creative director; Myron Poloner, who recently joined the shop from N W Ayer ABH, continues as exec vp-client services and Burt Zaretsky stays as exec vp-operation.

Robert Gross, chief executive for Geers Gross, is chairman of the new subsidiary. All other senior executive personnel continue in their management roles.

The Landey agency, best known for its Coty cosmetics, Fortunoff and *Cosmopolitan* ads, has railed against the disadvantages faced by smaller agencies in competing for big accounts. Mr. Landey also has complained that a mid-size agency gets seconds on network inventories—the firsts going to the bigger spenders. Earlier this month, he stated that getting acquired was one way of making it into the big time. #

New Harvey's Place unit

Harvey's Place Inc., New York, a film-editing service has opened a Southfield, Mich., facility at 26555 Evergreen, Box 137, Southfield 48076.

May 'street' prices for spot tv on net affiliates

Average cost per thousand household rating point for 30-second spot

Nielsen market rank		Prime time '80 vs. '79
1.	New York	$358 (+ 6.5%)
2.	Los Angeles	284 (+ 4.4%)
3.	Chicago	213 (+10.9%)
4.	Philadelphia	157 (+ 7.5%)
5.	San Francisco	175 (+ 9.4%)
6.	Boston	166 (+ 9.9%)
7.	Detroit	129 (+14.2%)
8.	Cleveland	80 (+ 6.7%)
9.	Washington	106 (+ 6 %)
10.	Dallas	121 (+ 7.1%)
11.	Pittsburgh	84 (+ 7.7%)
12.	Houston	113 (+ 6.6%)
13.	Minneapolis	83 (+12.2%)
14.	St. Louis	58 (+ 5.5%)
15.	Miami	99 (+12.5%)
16.	Atlanta	91 (+13.8%)
17.	Seattle	83 (+ 7.8%)
18.	Tampa	79 (+ 8.2%)
19.	Baltimore	86 (+10.3%)
20	Indianapolis	63 (+ 8.6%)

Market combinations at a glance

Ranked by market size	Prime time cpp	Prime time cpm
1-10	$1,789	$7.15
11-20	839	8.81
21-30	548	8.10
31-40	357	6.62
41-50	277	6.04

Source: Spot Quotations & Data, 950 Third Ave., New York 10022. Average cpps for a 30-second spot were determined from ad agency conventional buys on affiliates as of April 29. Excludes are spots bought on a 52-week basis or calling for 150-plus gross rating points weekly. These averages are a yardstick and not a listing of the market's lowest price. Ratings used are an Arbitron/Nielsen average. These guides can be applied to 60s—200%—and 10s—50%. Percentage gain over May, 1979, report is shown in parentheses.

National spot prices seen 'holding up'

By MAURINE CHRISTOPHER

NEW YORK—On the basis of schedules set through the end of last month, Marvin Richfield, president of Spot Quotations & Data, predicts that national spot prices will "hold up nicely" at least through mid-June.

For retail he sees a pause of sorts before the medium starts to build again for Father's Day and graduation.

Despite the widespread talk of recession, the medium continued to show higher cost per thousand household (cpp) rating point levels in all the top 20 markets for the May report. And the markets that have looked exceptionally vibrant throughout the spring continued to do so.

The largest cpp percentage gains for prime time 30s came in Detroit, up 14.2% to $129 and Atlanta, up 13.8% to $91. Next were Miami (up 12.5%), Minneapolis (up 12.2%) and Chicago (up 10.9%). This covers business on affiliates only.

SQAD's "street prices" reflect buying in the marketplace as reported by a sample of 14 major ad agencies. The report covers activity in 51 major markets. That basic buying guide is accompanied by a 200-market planning report giving projected costs for the next six quarters.

Below the top 20 markets, prime time seemed strong in Denver at $78, Hartford at $71, San Diego at $63 and Phoenix and Sacramento, both $62.

Late news 30s remain a hot commodity with quotations, these covering independent stations as well as affiliates, ranging from $13 in Wilkes-Barre to $245 in New York. Other listings for this shopping period ended April 29: Los Angeles, $165; Chicago, $147; Boston, $132; Philadelphia, $124; San Francisco, $122; Dallas, $94; Houston, $84, and Detroit, $81.

Late fringe was ahead of early news and early fringe in the big markets. Highest prices in this category were: New York, $164; Los Angeles, $123; Philadelphia and Boston, both $108, and San Francisco, $99.

▪ Mr. Richfield pointed out that the second half of this month, which will be covered in the June SQAD report, will be a rather unsettled time for the spot market. Advertisers who were to have been on the Olympics are in the midst of deciding whether to stay with what NBC offered instead, shift the money—or part of it—to spot or save some ad dollars.

And, of course, there are those political dollars rolling into tv in states such as California where primaries are still to come. #

'Time' tries new system

Time Asia now delivers 170,000 copies from a Hong Kong printing plant due to its system of electronic transmission of four-color material by satellite from New York. The new technique is the first in international publishing to permit transmission of color material by satellite.

Neenah Paper
No matter how you look at it,
ask for Neenah and you say it right.
Neenah Paper
A Division of Kimberly-Clark
Neenah, Wisconsin 54956
© 1980 K.C.C.

Promotional Mini-booklets
For use as:
• Bottle Hangers and neckers
• Product Inserts
• Instruction booklets
• Recipe or "how to" booklets
• Consumer information pamphlets
as low as 1¢ each.
Custom-Printed for your product!
Call or write TODAY for free samples
Ira Strauss
WEBCRAFT Converting Printers 201-297-5100
P.O. Box 185 C5 No Brunswick N.J. 08902

MR. BUSINESS EXECUTIVE!
Would you pay 25¢ for an order? Let us explain how you may use our hot line 800 numbers and our operators 24 a day, 7 days a week, as your own, and increase your business or sales 35 to 50%. (Based on a National survey) Costs? ..... Peanuts!
Call us toll free for details
1-800-327-9009
Other Services Available:
•Ad Response • Phone Orders •
• Message Relay •
Our Courteous Service Will Increase Your Business
LOWEST RATES — CALL NOW
$25.00
Per Month
For 100 Calls
24 Hours - 7 Days Per Week
Nationwide Toll Free
Answering Service
In Florida
Call 1-800-432-7999
Toll Free America Inc.
5480 North State Road 7
Ft. Lauderdale, Florida 33319
1-800-327-9009

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Advertising Age

50 YEARS 1930-1980

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$1 a Copy; $30 a Year — *The International Newspaper of Marketing* • *In Two Sections. Section 1.* — *June 9, 1980*

New dog food skips tryouts

Carnation bites back

By JOHN REVETT
and LARRY EDWARDS

LOS ANGELES—Understood to be irked at competitors grabbing its product ideas from test markets and rushing national with their own versions, Carnation Co., here, is going straight into national distribution with a new dry dog food, skipping market tryouts.

And it will go right up against Ralston Purina Co.'s new Blend line.

Carnation is introducing to the trade new Come'n Get It, a four-flavor blend product, and will back it with an advertising/promotion program breaking in August that retail sources describe as "in line" with what it takes to battle market leader Ralston Purina. Given the current state of competition in the $1.3 billion category, industry execs report the total budget must be in the $15,000,000-to- $20,000,000 range.

Advertising, via SSC&B here, will include heavy tv, print and couponing. Extensive trial sampling will feature an 18-oz. size at retail, prepriced at 39 cents.

▪ The premium-price Come'n Get It (in beef, liver, chicken and cheese flavors) seems to follow the same strategy that has proven fairly successful of late for Carnation in dry cat foods. Its recent Fish Ahoy! and Chef's Blend entries offer one more flavor in the mix than Purina's Ocean Blend, Country Blend and Meow Mix cat foods.

With this rollout, Carnation again is going directly against Purina. Aside from its current heavy push for Mainstay dry dog food, the St. Louis company has been restaging existing Dog Chow flavor mix extension items into an umbrella blend line.

This week, Purina begins national introduction of new Home Style Blend, a beef, chicken and egg mix. It is joining Butcher's Blend (beef, liver and bacon), which was launched last fall as a Dog Chow item, and beef, bacon

(Continued on Page 78)

France adds a bit of NCK

NEW YORK—Sometime over the weekend, if all went as planned, Belier, the seventh largest ad agency in France, acquired a minority interest in Norman, Craig & Kummel Worldwide.

"We're giving up 10% of NCK Worldwide with the possibility of it developing into 20% over two years," chairman Dan Rodgers confirmed in a phone interview last week. No management changes are expected.

Belier is 45% owned by the giant Eurocom Group, in which the French government has a minority holding. The group includes the Univas network, which earlier tried to come to Madison Ave. via purchase of Kelly-Nason.

▪ Mr. Rodgers minimized the impact of Belier's equity in New York. "It gives them an international presence they haven't had before, and it gives us an additional creative force upon which to draw. But we don't expect to be servicing any of their clients."

What will affect the New York operation more materially, he said, is the acquisition of another shop here. "We are talking to agencies in New York with the idea of strengthening this operation," an operation Mr. Rodgers concedes fills a relatively smaller portion of worldwide operations than it should. He declined to identify prospects, but noted that these agencies "come in all sizes."

Reports had circulated here for months that NCK's New York office was to be acquired, but the

(Continued on Page 80)

Cutbacks?

'Normal' reductions fueling rumor mills, agencies say

An Advertising Age Roundup

Trying to track advertising agency layoffs is a little like trying to come up with a body count in the Vietnam War. It depends on which side you're on.

Last week, reports of mass firings at agencies rippled through the advertising grapevine. When contacted, agency managements pooh-poohed the numbers as grossly overblown and chalked up "occasional" pink slips to employe performance rather than the economy.

"I suspect there are layoffs throughout the industry because I hear so-and-so got rid of this number of people and so-and-so let go so many," said Della Femina, Travisano & Partners chief Jerry Della Femina in New York. "But I can't see how you'll get an accurate fix." Recently, as Della Femina's fiscal year ended, the agency fired nine people. "We heard it played back as 10 to 15 times that number," Mr. Della Femina said.

An axed employe, he continued, "likes to think he's part of an army. No one goes looking for a job saying, 'I was one of three people laid off'."

▪ The discrepancy is heightened by agency management reluctance to fess up to hard times.

Grey Advertising is making "selective cutbacks" because of the economy, "but no more so than other agencies," a spokesman said, while declining to provide numbers. "We are definitely not unique in this. We're being just as inundated with resumes from people let go at other agencies as they are from ours," he added.

Doyle Dane Bernbach, also a subject of rumors, denied it had sacked a large number of workers. "You can count on one hand the number of people terminated here in the last two months," said personnel director Dick Kane. "Just about all our Wrangler and Avis people [the two big accounts DDB lost recently] have been placed on other business. That's not to say we're not taking a closer look at filling new jobs," Mr. Kane added.

Sometimes rumors circulate before the fact. "There was talk on

(Continued on Page 78)

last minute news

Burnett resigns $15 million in Swift business

CHICAGO—Leo Burnett Co. announced it resigned the Swift & Co. business it has had for seven years over differences in operating procedures and compensation practices. Burnett handled Butterball poultry, Peter Pan peanut butter and Soup Starter, a total of $15,000,000 in billings.

P&G's Pert conditioner ready for test market

CINCINNATI—Procter & Gamble will soon move Pert creme rinse and conditioner into test in Milwaukee and Nashville, with tv breaking July 28. Supplements and couponing follow in August. Agency undetermined; Compton handles Pert shampoo, now national. The conditioner claims easier wet combing, fewer tangles, soft and manageable hair and prevention of damage. Yellow bottles shaped like Pert shampoo (green) come in 7-oz. and 11-oz. sizes and three formulas.

Gillette sets support for appliance rebate program

BOSTON—Gillette Co. will launch a heavy network tv and print campaign during the second half of 1980 to support the appliance division's $20,000,000 rebate program. In addition, the division will introduce its deluxe Heat Wrap/Cold Wrap, its third entry into the health and fitness product category. Rebates ranging from $2 to $10 will be available on 13 products. Grey-North, Chicago, handles.

Wilson Foods moves to M-E's Houston office

OKLAHOMA CITY—Wilson Foods Corp. has chosen McCann-Erickson's Houston office as its new agency on its $3,500,000 food products account.

(Continued on Page 8)

Backwoods out to rope the big city

Consolidated Cigar Corp.'s new Backwoods cigars, with an unusual rough-cut look, are promoted as being "wild but mild" in tv spots. Designed to attract younger smokers to cigars, Backwoods has moved into Omaha and Portland, Ore., from earlier test markets. David, Oksner & Mitchneck handles.

Dart gives Kraft diversity

By JoELLEN GOODMAN
and SUSAN GUREVITZ
Crain News Service

CHICAGO—Joseph Kraft would be proud.

The small cheese company he sold to National Dairies in 1930 is gambling on a bold multi-billion-dollar merger with Dart Industries to reach its badly needed goals in one swoop: Produce higher profit margins, enter faster growing markets and make a significant diversification into consumer products.

"It's diversification in spades," said Kraft chief executive John M. Richman. "Given our druthers, we would much rather do this than make a number of [smaller] acquisitions."

▪ Drexel Burnham Lambert analyst Arthur Kirsch added, "It's no longer the same company."

The move frees Kraft from a retail food market that is expected to average a meager 1%-to-2% annual growth in the long-term and an industry with the slimmest profit margins in American business.

The new company, to be called Dart & Kraft, will be headquartered near Chicago, and Kraft directors will hold a majority on the combined 23-member board. Justin Dart, 72-year-old founder of the Los Angeles-based consumer goods company, will be chairman of the executive committee, but Mr. Richman will be chairman and

(Continued on Page 77)

NEWSPAPER

AA MAR81
DC2001&CONGLIHAGNR 02115920013
R HAGERMAN SECY TO SR VP
CONGRESSIONAL INFO SERVICE
7101 WISCONSIN AVE
WASHINGTON DC 20014

In battle with 'N.Y. Post'

'News' plots editions

By LEAH ROZEN

New York—The morning New York Daily News is forming a study unit during each afternoon newspaper and a select Manhattan edition, possibly as early as mid-August.

Editor of both papers George Chi[illegible] at the Associated Press [illegible] said Charleston [illegible] to open up to [illegible] found ourselves and come out with a morning paper. I think we could have more opportunity in the morning than the News has in the afternoon."

The News and Post have been involved in an extraordinary circulation battle ever since Rupert Murdoch purchased the Post in 1976 and turned it into a tabloid and [illegible] that took direct aim at the News' audience.

Since that time, News circulation has continued to decline while Post circulation (especially of late) has climbed. The latest Audit Bureau of Circulations figures put the News at 1,984,896 daily, a drop from a year earlier. News circulation [illegible] dropping, reaching [illegible] Post, though [illegible]

(Continued on Page 77)

'Casual' vs. 'hard core' audience

Why reader data differs

By JACQUES NEHER

Chicago—The raging controversy over the top disparate methods for measuring magazine readership may be quelled in a few weeks with the finding that the techniques measure two entirely different kinds of readers.

The Advertising Research Foundation, concluding its own research to mediate the battle between the two methods—through-the-book and recent reading—will issue a report that breaks down the components and characteristics of each in order to allow advertisers and agencies to determine for themselves which technique is best for a particular kind of advertising. It will not, however, make a judgment itself as to which method is best.

ARF's delays on comparability "a scandal" . . . **Page 80**

Douglas Banik, vp-research for the ARF, announced at the organization's midyear conference here last week that the "key factors" of the two methods will be published "in three to four weeks" and that a final report, to be published soon after that, will determine whether or not the audience numbers produced by each method can be calibrated or made equal by using some mathematical formula.

The reports will conclude a $425,000 study initiated by the ARF's Magazine Research Development Council following an uproar over widely divergent

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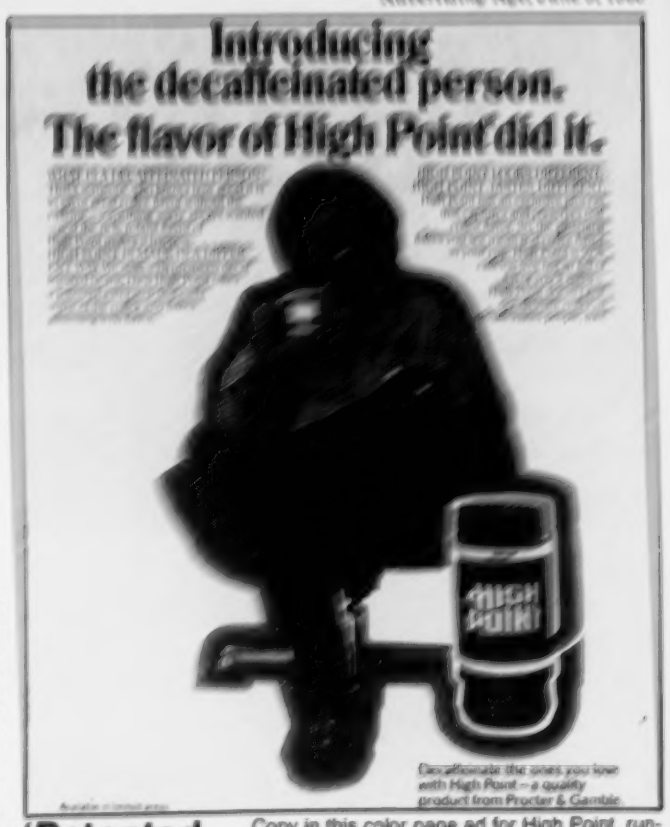
Introducing
the decaffeinated person.
The flavor of High Point did it.
HIGH POINT
Decaffeinate the ones you love with High Point—a quality product from Procter & Gamble.

'Patented extra step' Copy in this color page ad for High Point, running in lead markets, explains the "extra step" taken to enhance the coffee's flavor. Ads will soon break nationwide, via Compton.

P&G begins point attack on GF's Sanka

By LOUIS A. FANELLI

New York—With Folger's ground roast securely holding the No. 1 position, Procter & Gamble Co. is hoping to deliver a second blow to General Foods' Maxwell House division with its national rollout of High Point decaffeinated coffee (AA, May 12).

High Point has set its sights on Sanka, GF's [illegible] coffee brand, [illegible] House. However, any serious challenge to Sanka is a formidable task. Sanka has become so well entrenched that its name is synonymous with decaffeinated coffee in consumers' minds.

The introduction of High Point instant following five years of test marketing is expected to be backed by more than $20,000,000 in advertising support, and all the [illegible] and marketing muscle the Cincinnati giant can muster. P&G continues to see High Point [illegible] ground, [illegible] Portland, Ore., and St. Louis.

Spot tv for High Point instant will break June 23, followed by network tv July 7. The tv buy—consisting of 1,200 gross rating points per week for a year—is said to be the largest ever for a single P&G product.

In addition to page ads in women's magazines during [illegible] the New York area will [illegible] of support [illegible] ilar drop recently was made in Los Angeles. Compton Advertising handles.

Using the theme, "Hearty robust flavor to decaffeinate the ones you love," High Point will be going after what is said to be a growing decaffeinated market.

According to industry sources, consumption of caffeinated coffee has been steadily declining for a number of years. The decline has [illegible] and of health concerns.

According to trade sources, High Point instant attained a respectable 2% share in test markets. This figure may be even more significant when compared with Sanka's market share, which has been declining since 1976. Last year Sanka held a combined 2.8% share of the overall instant [illegible] market, approximately the same as in 1975. According to Leading National Advertisers, Sanka last [illegible]

(Continued on Page 80)

highlights

Monday, June 9, 1980

John F. Murray Advertising continues effort to improve operations. *See Page 4.*

Blairsat to begin shipping commercials via Westar III as of Oct. 1; other new Blair video forms projects coming up. *See Page 4.*

North American Philips' consumer products division will begin breaking a $15,000,000 advertising and promotional campaign for its new Rotatract shaver. *See Page 4.*

Arthur Gunther will head PepsiCo's Wichita-based Pizza Hut. *See Page 6.*

Arthur Treacher's Fish & Chips picks PKG/Cunningham & Walsh, Chicago, to handle its account. *See Page 6.*

MasterCard is pursuing plans to enter the travelers check market. *See Page 10.*

Business/Professional Advertising Assn.'s 1980 salary and job study puts median salary of advertising, agency and publishing execs at $33,300 a year. *See Page 14.*

United Brand's A&W Restaurants chain is looking for a new agency after breaking with San Francisco-based Botsford Ketchum. *See Page 14.*

The American Advertising Federation named a host of winners, announcing the outcome of Clubs of the Year, Addy awards, Silver Medal awards and Ad Persons of the Year competitions. *See Page 20.*

Trailways Inc. has been revamped and revitalized under the leadership of former Greyhound chairman James Kerrigan. *See Page 35.*

Robert Wold Co. lays plans to transmit the July 13 to 18 GOP nominating convention by satellite. *See Page 40.*

Richard Vaughn explores the use of consumer behavior models to tailor advertising strategies. *See Page 45.*

William D. Tyler looks at the effect increased advertising has had during a recession and presents his picks for "10 best" for June. *See Page 50.*

Mike Cafferata offers some suggestions on putting together a portfolio. *See Page 54.*

Ogilvy & Mather has been awarded the Wendy's International account in both the U.K. and Germany, and, according to the fast-fooder's European marketing director, O&M may get the account in Spain as well. *See Page 56.*

Two advertisers and one very big rock are at the center of a partially resolved advertising dispute in Australia. *See Page 56.*

Gordon B. MacKenzie is taking charge as general manager of Ford's faltering Lincoln-Mercury division. *See Page 60.*

Irwin Segelstein gets a new post, as well as added responsibilities at NBC Television. *See Page 77.*

CNN picks up advertisers, affiliates and complaints from holdout cablecasters about pushing too hard for subscribers. *See Page 78.*

JWT completes reorganization and H&K merger at annual meeting. *See Page 78.*

MGM gets into the home video groove with a joint CBS-MGM disc-cassette venture. *See Page 80.*

Reader's Digest Assn. slices *Book Digest* circulation. *See Page 82.*

ABC snares another key NBC affiliate, WSB-TV, Atlanta. *See Page 82.*

Section 2

When the business-to-business ad works, the evidence is visible in corporate profit statements. Section 2/Business Advertising looks at some winning campaigns and other matters—starting opposite Page 42.

REGULAR FEATURES

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Vol. 51, No. 25—Advertising Age (ISSN-001-8899) is published weekly, except semiweekly the third week in March, the first week in September and the third week in December at 740 Rush St., Chicago, IL 60611. Second class postage paid at Chicago and additional mailing offices.

First 3-net buy honors to Ralston

By COLBY COATES

New York—Tradition, and the theory that he who buys first buys best, once again has led the Ralston Purina Co. to cut the first three-network upfront deal of the 1980-81 prime time season.

Ralston's long-term sponsorship package is thought to be in the neighborhood of $40,000,000 and, according to a buyer who may well make the next major deal with all three networks, "this is what the market has been waiting for. This one starts the season."

Although this deal is the first to be written with all three networks, American Home Products and NBC announced a two-year, $125,000,000 upfront deal at the NBC affiliates meeting (AA, May 26).

Handling the deal for Ralston were William Claggett, vp-director of advertising-marketing services, Lee Zingale and Mary Howard of Checkerboard Advertising (Ralston's in-house agency) and the Paul Schulman Co., a subsidiary of Gardner Advertising's Advanswers. In addition to Mr. Schulman, Tom Winner and Les

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First '80 figures show media ads continue to rise

By [illegible] OEN
Senior VP, McCann-Erickson

The upturn of national advertising spending in the major media continued to rise at the opening quarter of 1980.

The growth rate has been moving above the trend line established by the boom years of 1975. Though there have been pauses in economic growth since then, and in the second quarter of last year a real drop in Gross National Product occurred, advertising growth has not yet been significantly interrupted.

In the opening months of 1980, the economy was far from robust, and it is now generally acknowledged that a real recession has finally arrived. The advertising industry is concerned about whether the impact of these conditions on advertising will be mild or severe. Since advertising tends to lag rather than to lead the economy, the answer will not be clear for a number of months.

• The data through the first quarter of this year indicate major media developments as follows:

Magazines

The first quarter of this year was very good relative to the first quarter of last year. Cigarette ad pages were up and automotive magazine revenues were well above their first-quarter 1979 levels.

However, in last year's second quarter, the automotive category was exceptionally strong as a result of the introduction announcements for the new fuel-efficient, small domestic models. When the second-quarter 1980 magazine data becomes available, it is likely that the gains in comparison with 1979 will be a lot more modest than these posted for the opening quarter.

For the year as a whole, there probably will be some large gains for some of the new magazines that began to appear in the last few years. However, most of the established older publications will show little change in ad pages, but their revenues will be up because of rate increases. At the moment, a

(Continued on Page 12)

National advertising expenditures

General index of advertising in four major media (1967 = 100)

Index scale

Source: McCann-Erickson Inc.